REGISTERED COMPANY NUMBER: SC461601 (Scotland)
REGISTERED CHARITY NUMBER: SC46307

Report of the Trustees and

Unaudited Financial Statements for the Year Ended 31 October 2025

for

Caithness Broch Project

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

Caithness Broch Project

Contents of the Financial Statements for the Year Ended 31 October 2025

Caithness Broch Project

Report of the Trustees
for the Year Ended 31 October 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Caithness Broch Project aims to enrich the Caithness community by promoting education, heritage, culture, and poverty relief. Its focus includes offering educational activities about archaeological heritage, reconstructing historical structures, creating accessible archaeological records, and providing diverse heritage-related activities. The project also equips individuals to contribute to local heritage management and collaborates with various entities to further these goals

The objectives of the charity have been consistent with previous years. In summary:

1. Preparations for the construction of a replica broch
2. Local community outreach
3. Engagement with heritage and tourism

Specific activities are listed in the table below. Note the increasing activities related to the selected broch construction site known as Flygla, which is north of Latheron village.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Project has again made significant progress this year towards establishing a site for the construction of the replica broch.

1. Submission of application to the Crofting Commission for de-crofting of the site at Flygla.

2. Secured planning permission for phase 1 of our project at Flygla including construction of the replica Broch plus associated infrastructure.

3. Launch of Crowdfunding campaign to raise money for the purchase of the Flygla site.

4. Signing of Memorandum of Understanding between the Caithness Broch Project, The Flow Country World Heritage Site Partnership, the University of the Highlands and Islands and the Latheron, Lybster and Clyth Community Development Company (LLCCDC) for shared use of the Flygla site once purchased by CBP. Future plans would include the site also becoming the eastern visitor gateway to the World Heritage Site.

ACHIEVEMENTS AND PERFORMANCE

This Year in Brief

Month	Activity
January	Submission of Planning request for replica broch Annual General Meeting (new chairperson appointed)
April	Presentation to the Trimontium Trust in Melrose
May	Flow Country Partnership and UHI representatives visit Flygla site Broch presentation for Brora Heritage Formal presentation to Flow Country Trustees on proposed collaboration
June	plan for Flygla
July	Broch Presentation for Wick Baptist Church
August	Launch of site purchase Crowdfunding campaign Signing of MOU with partners for shared use of Flygla site
September	Provisional Business Plan received from consultant architects
October	Planning permission granted De-crofting application submitted to Crofters' Commission
November	Broch Project representation at Flow Country Tourism event in Wick
December	Re-locate business address to LLCCDC office in Lybster Annual General Meeting

FINANCIAL REVIEW

Financial position

Total income during the year was £69,342 (2024 - £34,994), expenditure was £32,790 (2024 - £18,415) leaving a surplus of £36,552 (2024 - £16,579) for the year. We carried forward reserves of £93,843 (2024 - £57,291) for the continuation of our projects and events and sustainability of the charity.

Reserves policy

The Directors have reviewed the reserves at the year end and of the opinion that they are sufficient to cover the current project work, but will need to build up over future years in the expectation of managing large value projects. The reserves include funding for site purchase and anticipated professional fees (e.g. business planning, architects, lawyer).

FUTURE PLANS

2025 has been a year of considerable progress for the Project. We have secured planning permission; had a very positive and generous community response to our site purchase crowdfunding campaign; signed an MOU with other significant organisations for shared community use of the Flygla site once purchased subject to securing the necessary de-crofting consent. We have also received our provisional business plan from our consultant architects. The Project will continue to work towards delivering the vision of a replica broch on the Flygla site, which we selected in late 2021. Care about creating a sustainable business and having the support of the community means that we would rather take longer to deliver the project than hurry into making decisions that are not easily reversed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The methods used to recruit and appoint new charity trustees are identified in the Memorandum and Articles of Association. The committee is healthy with a total number of committee members of 11 of which 8 are Trustees.

Organisational structure

The Project has a core management team of directors (also known as trustees) supported by a committee drawn largely from the membership. The full membership (composed of annually subscribed Members and life Members) forms the wider decision-making and responsible body. The Project is also supported by "Friends", a class not requiring subscription or having any legal status.

The articles of association were changed at an Extraordinary General Meeting held in September 2023 to allow new members from outside the county of Caithness. This was a reversion to the original constitution, based on discussions held with major UK funding bodies.

Directors are appointed at general meetings. At the Annual General Meeting, all directors stand down and may stand for re-appointment.

The committee has meetings typically every two weeks. Given that all the committee members are volunteers and work on the Project in their own time and are not co-located, the everyday business of the Project is conducted typically on Slack, a digital communication platform designed primarily for workplace collaboration. It offers features such as direct messaging, group channels, file sharing, and integration with various third party applications. Slack enables teams to organize conversations by topics or projects, facilitating efficient information sharing and teamwork. It is widely used in professional settings to streamline communication and workflow, but also offers a non-profit free service which we take advantage of. The Project is also supported by Google Workspace and Microsoft Office for non-profits.

Any spending done by the Project is either pre-approved from allocated funds to specific projects or is approved upon request by a number of directors, depending on the amount. This includes expenses incurred by committee members in the course of project activities.

The project maintains two bank accounts, both chosen for low fee structures and appropriate security. This arrangement will be kept under review as the project requirements and fees change over time.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC461601 (Scotland)

Registered Charity number

SC46307

Registered office

Seaview House
Harbour Road
Lybster
Caithness
KW3 6AH

Report of the Trustees
for the Year Ended 31 October 2025

Trustees
R Herrick
I K Maclean Vice-chairman
K G McElroy
C Aitken
D C Mackay
P Macrae Chairman
K Lilley
J Byron (appointed 22.1.25)

Independent Examiner
Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

Non-Director post holder
Sara Herrick - Treasurer
Anthea Atkins - Membership Secretary

Approved by order of the board of trustees on 1 July 2026 and signed on its behalf by:

P Macrae - Trustee

Independent Examiner's Report to the Trustees of
Caithness Broch Project

I report on the accounts for the year ended 31 October 2025 set out on pages six to sixteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Marcus D MacIver CA
The Institute of Chartered Accountants of Scotland

Mackay & Co
Chartered Accountants
Unit 8
Golspie Business Park
Golspie
Sutherland
KW10 6UB

1 July 2026

Caithness Broch Project

Statement of Financial Activities
for the Year Ended 31 October 2025

	Notes	Unrestricted funds £	Restricted funds £	31.10.25 Total funds £	31.10.24 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	7,153	25,399	32,552	17,565
Charitable activities	4				
Other charitable activities		-	1,000	1,000	-
Flygla		-	-	-	2,000
HHJV Phases 1 & 2		500	35,000	35,500	13,300
Keiss Panel		-	-	-	210
Other trading activities	3	290	-	290	1,919
Total		7,943	61,399	69,342	34,994
EXPENDITURE ON					
Raising funds		-	-	-	894
Charitable activities					
Ousdale		-	-	-	680
Other charitable activities		2,068	2,184	4,252	5,293
Website design and upkeep		-	-	-	312
Flygla		6,967	-	6,967	836
HHJV Phases 1 & 2		-	21,030	21,030	10,400
Keiss Panel		-	541	541	-
Total		9,035	23,755	32,790	18,415
NET INCOME/(EXPENDITURE)		(1,092)	37,644	36,552	16,579
Transfers between funds	11	(4,778)	4,778	-	-
Net movement in funds		(5,870)	42,422	36,552	16,579
RECONCILIATION OF FUNDS					
Total funds brought forward		50,020	7,271	57,291	40,712
TOTAL FUNDS CARRIED FORWARD		44,150	49,693	93,843	57,291

The notes form part of these financial statements

Balance Sheet
31 October 2025

	Notes	Unrestricted funds £	Restricted funds £	31.10.25 Total funds £	31.10.24 Total funds £
FIXED ASSETS					
Tangible assets	8	25	4,873	4,898	2,070
CURRENT ASSETS					
Stocks	9	1,000	-	1,000	1,000
Cash at bank and in hand		44,525	44,820	89,345	55,937
		45,525	44,820	90,345	56,937
CREDITORS					
Amounts falling due within one year	10	(1,400)	-	(1,400)	(1,716)
NET CURRENT ASSETS		44,125	44,820	88,945	55,221
TOTAL ASSETS LESS CURRENT LIABILITIES		44,150	49,693	93,843	57,291
NET ASSETS		44,150	49,693	93,843	57,291
FUNDS	11				
Unrestricted funds				44,150	50,020
Restricted funds				49,693	7,271
TOTAL FUNDS				93,843	57,291

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for
(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

continued...

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 1 July 2026 and were signed on its behalf by:

Peter MacRae

P Macrae - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

General Equipment - 25% on reducing balance

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

continued...

2. DONATIONS AND LEGACIES

	31.10.25	31.10.24
	£	£
Donations	28,202	14,075
Subscriptions	4,350	3,490
	32,552	17,565

3. OTHER TRADING ACTIVITIES

	31.10.25	31.10.24
	£	£
Shop income	290	1,919

4. INCOME FROM CHARITABLE ACTIVITIES

		31.10.25	31.10.24
	Activity	£	£
Grants	Other charitable activities	1,000	-
Grants	Flygla	-	2,000
Grants	HHJV Phases 1 & 2	35,500	13,300
Grants	Keiss Panel	-	210
		36,500	15,510

Grants received, included in the above, are as follows:

	31.10.25	31.10.24
	£	£
The Highland Council	-	5,000
Foundation Scotland	30,500	8,300
Sinclair Bay Community Fund	-	210
Latheron Lybster & Clyth Halsary Fund	5,000	2,000
North Highland Initiative	1,000	-
	36,500	15,510

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.10.25	31.10.24
	£	£
Depreciation - owned assets	2,191	1,645

continued...

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2025 nor for the year ended 31 October 2024.

Trustees' expenses

The following expenses were paid to Trustees as reimbursement for expenses incurred on behalf of Caithness Broch Project:

TRUSTEE	31.10.25	31.10.24
I K Maclean	540.56	0
D Mackay	0	0
C Aitken	0	0
R Herrick	0	0
K McElroy	0	404.17
P Macrae	0	0
K Lilley	0	80.94
	540.56	485.11

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	17,566	(1)	17,565
Charitable activities			
Flygla	-	2,000	2,000
HHJV Phases 1 & 2	-	13,300	13,300
Keiss Panel	-	210	210
Other trading activities	1,919	-	1,919
Total	19,485	15,509	34,994
EXPENDITURE ON			
Raising funds	894	-	894
Charitable activities			
Ousdale	-	680	680
Other charitable activities	4,339	954	5,293
Website design and upkeep	312	-	312
Flygla	-	836	836
HHJV Phases 1 & 2	-	10,400	10,400
Total	5,545	12,870	18,415

continued...

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME	13,940	2,639	16,579
Transfers between funds	7,216	(7,216)	-
Net movement in funds	21,156	(4,577)	16,579
RECONCILIATION OF FUNDS			
Total funds brought forward	28,865	11,847	40,712
TOTAL FUNDS CARRIED FORWARD	50,021	7,270	57,291

8. TANGIBLE FIXED ASSETS

	General Equipment £
COST	
At 1 November 2024	12,411
Additions	5,019
At 31 October 2025	17,430
DEPRECIATION	
At 1 November 2024	10,341
Charge for year	2,191
At 31 October 2025	12,532
NET BOOK VALUE	
At 31 October 2025	4,898
At 31 October 2024	2,070

continued...

9. STOCKS

	31.10.25	31.10.24
	£	£
Stocks	1,000	1,000

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.25	31.10.24
	£	£
Accrued expenses	1,400	1,716

11. MOVEMENT IN FUNDS

	At 1.11.24	Net movement in funds	Transfers between funds	At 31.10.25
	£	£	£	£
Unrestricted funds				
General fund	50,020	(1,092)	(4,778)	44,150
Restricted funds				
Leaflets	-	1,000	-	1,000
Ousdale Security Camera	-	(1,673)	5,019	3,346
Ousdale Broch	2,037	(510)	-	1,527
Colouring Book	508	-	-	508
HHVJ Phases 1 & 2	3,021	13,970	-	16,991
Keiss Panel	541	(541)	-	-
Flygla Community Consultation	1,164	1	(241)	924
Flygla Site Purchase	-	25,397	-	25,397
	7,271	37,644	4,778	49,693
TOTAL FUNDS	57,291	36,552	-	93,843

continued...

11. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,943	(9,035)	(1,092)
Restricted funds			
Leaflets	1,000	-	1,000
Ousdale Security Camera	-	(1,673)	(1,673)
Ousdale Broch	-	(510)	(510)
HHVJ Phases 1 & 2	35,000	(21,030)	13,970
Keiss Panel	-	(541)	(541)
Flygla Community Consultation	1	-	1
Flygla Site Purchase	25,398	(1)	25,397
	61,399	(23,755)	37,644
TOTAL FUNDS	69,342	(32,790)	36,552

Comparatives for movement in funds

	At 1.11.23 £	Net movement in funds £	Transfers between funds £	At 31.10.24 £
Unrestricted funds				
General fund	28,865	13,939	7,216	50,020
Restricted funds				
Lyth Art & Archaeology Events	331	-	(331)	-
Achvarasdal	19	-	(19)	-
Leaflets	1,166	-	(1,166)	-
Ousdale Security Camera	955	(955)	-	-
Ousdale Broch	6,770	(679)	(4,054)	2,037
Colouring Book	2,606	-	(2,098)	508
HHVJ Phases 1 & 2	-	2,900	121	3,021
Keiss Panel	-	210	331	541
Flygla Community Consultation	-	1,164	-	1,164
	11,847	2,640	(7,216)	7,271
TOTAL FUNDS	40,712	16,579	-	57,291

continued...

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	19,485	(5,546)	13,939
Restricted funds			
Ousdale Security Camera	-	(955)	(955)
Ousdale Broch	(1)	(678)	(679)
HHVJ Phases 1 & 2	13,300	(10,400)	2,900
Keiss Panel	210	-	210
Flygla Community Consultation	2,000	(836)	1,164
	15,509	(12,869)	2,640
TOTAL FUNDS	34,994	(18,415)	16,579

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.11.23 £	Net movement in funds £	Transfers between funds £	At 31.10.25 £
Unrestricted funds				
General fund	28,865	12,847	2,438	44,150
Restricted funds				
Leaflets	1,166	1,000	(1,166)	1,000
Ousdale Security Camera	955	(2,628)	5,019	3,346
Ousdale Broch	6,770	(1,189)	(4,054)	1,527
Colouring Book	2,606	-	(2,098)	508
HHVJ Phases 1 & 2	-	16,870	121	16,991
Keiss Panel	-	(331)	331	-
Flygla Community Consultation	-	1,165	(241)	924
Flygla Site Purchase	-	25,397	-	25,397
	11,497	40,284	(2,088)	49,693
TOTAL FUNDS	40,712	53,131	-	93,843

continued...

11. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	27,428	(14,581)	12,847
Restricted funds			
Leaflets	1,000	-	1,000
Ousdale Security Camera	-	(2,628)	(2,628)
Ousdale Broch	(1)	(1,188)	(1,189)
HHVJ Phases 1 & 2	48,300	(31,430)	16,870
Keiss Panel	210	(541)	(331)
Flygla Community Consultation	2,001	(836)	1,165
Flygla Site Purchase	25,398	(1)	25,397
	76,908	(36,624)	40,284
TOTAL FUNDS	104,336	(51,205)	53,131

The restricted funds represent grants and donations towards the consolidation and conservation of the Ousdale Broch.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2025.

13. COMPANY LIMITED BY GUARANTEE

Caithness Broch Project is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such an amount as may be required, not exceeding £1, to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Detailed Statement of Financial Activities
for the Year Ended 31 October 2025

	Unrestricted funds £	Restricted funds £	31.10.25 Total funds £	31.10.24 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	2,803	25,399	28,202	14,075
Subscriptions	4,350	-	4,350	3,490
	7,153	25,399	32,552	17,565
Other trading activities				
Shop income	290	-	290	1,919
Charitable activities				
Grants	500	36,000	36,500	15,510
Total incoming resources	7,943	61,399	69,342	34,994
EXPENDITURE				
Other trading activities				
Purchases	-	-	-	894
Charitable activities				
Insurance	181	-	181	181
Archaeology and restoration	6,967	21,571	28,538	-
Postage	-	-	-	347
Advertising	-	-	-	612
Sundries	84	-	84	104
Travel and hospitality	13	-	13	442
Stationery & office costs	263	-	263	410
Fees	323	1	324	169
Repairs and renewals	-	-	-	599
Website costs	312	-	312	-
Depreciation of tangible fixed assets	8	2,183	2,191	1,646
	8,151	23,755	31,906	4,510
Support costs				
Finance				
Bank charges	-	-	-	91
Governance costs				
Accountancy and legal fees	884	-	884	12,920

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities
for the Year Ended 31 October 2025

	Unrestricted funds £	Restricted funds £	31.10.25 Total funds £	31.10.24 Total funds £
Total resources expended	9,035	23,755	32,790	18,415
Net income	(1,092)	37,644	36,552	16,579